LYONS & FLOOD, LLP 65 W. 36th Street, 7th Floor New York, NY 10018 (212) 594-2400

Attorneys for Defendant COMPANIA CHILENA DE NAVEGACION INTEROCEANICA S.A.

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

MUND & FESTER GMBH & CO. KG a/s/o BAUZA EXPORT LTDA

Plaintiff,

- against -

M/V CAP ORTEGAL, her engines, boilers, tackle, Furniture, apparel, etc. *in rem*; DANMAR LINES LTD., DHL GLOBAL FORWARDING, DANZAS CORPORATION and COMPANIA CHILENA DE NAVEGACION INTEROCEANICA, S.A. *in personam*,

ECF CASE

08 Civ. 4574 (MGC)

ANSWER TO CROSS-CLAIM AND CROSS-CLAIM AGAINST CO-DEFENDANT DANMAR LINES LTD.

Defendants.

Defendant COMPANIA CHILENA DE NAVEGACION INTEROCEANICA S.A. ("CCNI"), by its attorneys, LYONS & FLOOD, LLP, as and for its Answer to defendant DANMAR LINES LTD.'s ("DANMAR") Cross-Claim, alleges upon information and belief as follows:

- 1. CCNI repeats and realleges each and every paragraph of its Answer to plaintiff's Verified Complaint, as if fully set forth herein.
- 2. Paragraph 2 of DANMAR's cross-claim calls for neither admission nor denial.
 - 3. Denies the allegations contained in Paragraph 3 of the cross-claim.

FIRST AFFIRMATIVE DEFENSE

5. The Cross-Claim fails to state a claim upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

6. Defendant CCNI incorporates by reference each and every affirmative defense contained in its Answer to the Verified Complaint as if fully set forth herein.

CROSS-CLAIM AGAINST DEFENDANT DANMAR LINES LTD.

- 7. CCNI repeats and realleges the responses in Paragraphs 1 through 6 of this answer, as if fully set forth herein.
- 8. If plaintiff suffered the cargo damage alleged in plaintiff's Verified Complaint, which is denied, such damage was caused by the acts, omissions, fault, negligence, breach of contract, and/or breach of warranty of DANMAR, and not CCNI.
- 9. If defendant CCNI is adjudged liable to the plaintiff for any of the allegations made in its Verified Complaint, then CCNI shall be entitled to indemnity and/or contribution from defendant DANMAR, including recovery of attorney's fees and costs incurred by CCNI in defending against plaintiff's claims and DANMAR's Cross-Claim.

WHEREFORE, defendant CCNI prays:

a. that judgment be entered in favor of defendant CCNI and against defendant DANMAR, dismissing DANMAR's Cross-Claim and granting CCNI's Cross-Claim herein together with costs and disbursements of this action as well as attorneys' fees; and

b. that judgment be entered in favor of defendant CCNI herein for such other and further relief as the Court deems just and proper.

Dated: August 22, 2008

LYONS & FLOOD, LLP Attorneys for Defendant COMPANIA CHILENA DE NAVEGACION INTEROCEANICA, S.A.

By:

Edward P. Flood (EPH-5797) 65 West 36th Street, th Floor New York, New York 10018

(212) 594-2400

TO: Martin F. Casey
Casey & Barnett, LLC
317 Madison Avenue, 21st Floor
New York, New York 10017

James W. Carbin Duane Morris LLP 744 Broad Street, Suite 1200 Newark, New Jersey 07102

U:\FLOODDOC\2541008\Pleadings\Cross-Claim Answer - Danmar.doc

CERTIFICATE OF SERVICE

Erika Tax declares and states that:

I am not a party to these actions, am over 18 years of age and reside in Queens, New York. I am an employee with Lyons & Flood, LLP, attorneys for COMPANIA CHILENA DE NAVEGACION INTEROCEANICA S.A., with offices at 65 West 36th Street, 7th Floor, New York, New York 10018.

On August 22, 2008, I served true copies of the Answer to Cross-Claim and Cross-Claim Against Co-Defendant upon:

Martin F. Casey Casey & Barnett, LLC 317 Madison Avenue, 21st Floor New York, New York 10017

James W. Carbin Duane Morris LLP 744 Broad Street, Suite 1200 Newark, New Jersey 07102

by U.S. Mail, first-class postage pre-paid, addressed to the last known address of the addressees as indicated above.

Executed on: August 22, 2008

Erika Tax

la Tais

U:\FLOODDOC\2541008\Pleadings\Cross-Claim Answer - Danmar.doc